

## Message Text

LIMITED OFFICIAL USE

PAGE 01 MEXICO 01786 280128Z

13

ACTION ARA-20

INFO OCT-01 ISO-00 SPC-03 SAM-01 AID-20 EB-11 NSC-10

RSC-01 CIEP-02 TRSE-00 SS-20 STR-08 OMB-01 CEA-02

CIAE-00 COME-00 FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12

LAB-06 SIL-01 L-03 H-03 DODE-00 PA-04 USIA-15 PRS-01

DRC-01 /165 W

----- 060670

R 280039Z FEB 74

FM AMEMBASSY MEXICO

TO SECSTATE WASHDC 397

INFO AMCONSUL CIUDAD JUAREZ UNN

AMCONSUL GUADALAJARA UNN

AMCONSUL HERMOSILLO UNN

AMCONSUL MATAMOROS UNN

AMCONSUL MAZATLAN UNN

AMCONSUL MERIDA UNN

AMCONSUL MONTERREY UNN

AMCONSUL NUEVO LAREDO UNN

AMCONSUL TIJUANA UNN

LIMITED OFFICIAL USE MEXICO 1786

E.O. 11652: N/A

TAGS: ETRD, ECON, MX, US

SUBJECT: MEXICAN TRADE DEFICIT IN 1973 AT RECORD HIGH: GOM  
CONCERNED

1. ACCORDING TO PRELIMINARY FIGURES MADE PUBLIC ON  
FEB. 26, MEXICO'S TRADE DEFICIT IN 1973 AMOUNTED TO ALMOST  
1.7 BILLION DOLLARS, A RECORD HIGH WHICH IS ABOUT 570  
MILLION DOLLARS GREATER THAN THE TRADE DEFICIT IN 1972.

2. SPEAKING AT A CEREMONY HONORING THE THIRD ANNIVERSARY  
OF THE MEXICAN FOREIGN TRADE INSTITUTE (IMCE), UNDER-  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MEXICO 01786 280128Z

SECRETARY OF INDUSTRY AND COMMERCE MENDOZA BERRUETO

INDICATED THAT MEXICO'S 1973 IMPORT BILL WAS 51.823 BILLION PESOS (4.15 BILLION DOLLARS), WHILE AT THE SAME MEETING IMCE DIRECTOR JULIO FAESLER ANNOUNCED THAT MEXICO'S 1973 EXPORTS AMOUNTED TO 30.709 BILLION PESOS (2.46 BILLION DOLLARS), SUGGESTING A TRADE DEFICIT IN 1973 OF 1.69 BILLION DOLLARS, AS COMPARED WITH 1.12 BILLION DOLLARS IN 1972. THIS RECORD DEFICIT IS ESPECIALLY NOTEWORTH IN A YEAR WHEN MEXICAN EXPORTS INCREASED BY 34 PERCENT.

3. GOM'S OFFICIAL US-MEXICO BILATERAL BALANCE OF TRADE FIGURES FOR 1973 HAVE NOT BEEN RELEASED. HOWEVER GOM ESTIMATED (BASED IN PART ON DEPT OF COMMERCE DATA) THAT U.S. SHARE OF MEXICAN MARKET INCREASED FROM AROUND 60.5 PERCENT IN 1972 TO ABOUT 62.8 PERCENT IN 1973, WHILE THE U.S. MARKET AS A PERCENTAGE OF TOTAL MEXICAN EXPORTS WAS DECLINING FROM SOME 70.6 PERCENT IN 1972 TO ABOUT 67.9 PERCENT IN 1973. U.S. DEPARTMENT OF COMMERCE TRADE FIGURES SHOW THAT U.S. INCREASED SALES TO MEXICO BY 48.2 PERCENT IN 1973, WHEN U.S. EXPORTS REACHED 2.937 BILLION DOLLARS AS COMPARED WITH 1.982 BILLION DOLLARS IN 1972.

4. COMMENT: DESPITE USUAL DISCREPANCIES BETWEEN U.S. AND MEXICAN STATISTICS ON BILATERAL TRADE, THIS DRAMATIC INCREASE IN U.S. EXPORTS TO MEXICO IN 1973 CAN BE EXPECTED TO BE REFLECTED IN OFFICIAL MEXICAN STATISTICS WHEN THEY APPEAR, AND THE BILATERAL TRADE DEFICIT WILL ALMOST CERTAINLY BE A SUBJECT RAISED FREQUENTLY IN COMING MONTHS BY MEXICAN OFFICIALS IN PUBLIC STATEMENTS, IN PRIVATE MEETINGS WITH USG OFFICIALS, AND IN MULTI-LATERAL FORUMS. MEXICO'S DETERIORATING FOREIGN TRADE SITUATION IS GROUNDS FOR CONSIDERABLE CONCERN HERE, AND THERE IS EVIDENCE THAT MEXICO WILL BE TAKING STEPS TO ATTEMPT TO BRING THE PROBLEM UNDER BETTER CONTROL. IMCE'S EFFORTS WILL BE REDOUBLED IN THE AREA OF ENCOURAGING EXPORTS, IMPORT SUBSTITUTION PROGRAMS WILL BE ENLARGED (THIS ASPECT BEING REPORTED BY AIRGRAM), AND OTHER MEASURES MAY WELL BE TAKEN. IN THIS REGARD, PUBLIC SECTOR EXPENDITURES, AND HENCE IMPORTS, ARE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 MEXICO 01786 280128Z

BEING HELD DOWN DURING 1974, AND THIS MAY TEND TO REDUCE THE 1974 TRADE DEFICIT SOMEWHAT. DESPITE THESE NEW AND GREATER EFFORTS, MEXICO'S TRADE DEFICIT IS EXPECTED TO CONTINUE TO BE A SERIOUS PROBLEM DURING THE COURSE OF THE YEAR.  
JOVA

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TRADE BALANCE, TRADE DATA  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 28 FEB 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974MEXICO01786  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** MEXICO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t1974023/aaaaachi.tel  
**Line Count:** 113  
**Locator:** TEXT ON-LINE  
**Office:** ACTION ARA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** MorefiRH  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 17 SEP 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <17 SEP 2002 by boyleja>; APPROVED <18-Sep-2002 by MorefiRH>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** MEXICAN TRADE DEFICIT IN 1973 AT RECORD HIGH: GOM CONCERNED  
**TAGS:** ETRD, ECON, MX, US  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005